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## PROVINCIAL ASSEMBLY OF THE PUNJAB

### NOTIFICATION

November 27, 2024

No. PAP/Legis-2(13)/2024/205. The Punjab Agricultural Income Tax (Amendment) Bill 2024, having been passed by the Provincial Assembly of the Punjab on November 14, 2024, and assented to by the Governor of the Punjab on November 27, 2024, is hereby published as an Act of the Provincial Assembly of the Punjab.

### THE PUNJAB AGRICULTURAL INCOME TAX (AMENDMENT) ACT 2024

#### ACT XV OF 2024

*[First published, after having received the assent of the Governor of the Punjab, in the Gazette of the Punjab (Extraordinary) dated November 27, 2024.]*

An

Act

*further to amend the Punjab Agricultural Income Tax Act 1997.*

It is necessary further to amend the Punjab Agricultural Income Tax Act 1997 (I of 1997) for the purposes hereinafter appearing.

Be it enacted by Provincial Assembly of the Punjab as follows:

1. **Short title and commencement.**- (1) This Act may be cited as the Punjab Agricultural Income Tax (Amendment) Act 2024.

(2) It shall come into force on first day of January 2025.

2. **Amendment of section 2 of Act I of 1997.**- In the Punjab Agricultural Income Tax Act 1997 (I of 1997), for brevity referred to as "the Act", in section 2, in sub-section (1):

(a) in clause (a), after sub-clause (c), the following shall be inserted:

"(d) income from livestock;"

(b) after clause (ad), the following shall be inserted:

"(ae) "company" means a company and its cognate expressions as defined in the Companies Act, 2017 (XIX of 2017), a firm or body corporate formed by or under any law in force in Pakistan, a modaraba, a trust, a body incorporated by or under the law of a country outside Pakistan relating to incorporation of companies, a co-operative society, a finance society or any other society;"

(c) after clause (da), the following shall be inserted:

"(e) "livestock" means cattle, buffalo, sheep, goat, camel, horse and other useful animals kept or raised for income generation;

(d) after clause (f), the following shall be inserted:

"(fa) "person" means an individual or a company;"

(e) after clause (h), the following shall be inserted:

"(ha) "super tax" means the super tax levied under section 3AA of the Act;"

(f) after clause (i), the following shall be inserted:

"(ia) "taxpayer" means a person chargeable to tax under this Act and includes:

(i) a person in respect of whom any proceedings under this Act have been taken for the assessment of his total cultivated land or for the assessment of his agricultural income or the agricultural income of any other person in respect of which he is assessable or of the amount of refund due to him or to such other person;

(ii) a person who is required to file a statement of his total cultivated land or return of total agricultural income under sections 3 and 4 of this Act; and

(iii) a person who is deemed to be a taxpayer, or a taxpayer in default, under this Act;" and

(g) clauses (aa), (ac) and (da) shall be omitted.

3. **Amendment of section 3 of Act I of 1997.**- In the Act, in section 3:

- (a) in sub-section (1), for the words "specified in the First Schedule to this Act", the words "as may be prescribed" shall be substituted;
- (b) in sub-section (3), for the words "specified in the Second Schedule", the words "as may be prescribed" shall be substituted; and
- (c) in proviso to sub-section (3), for the words "Second Schedule", the word "rules" shall be substituted.

4. **Insertion of section 3-AA in Act I of 1997.**- In the Act, after section 3-A, the following shall be inserted:

**"3-AA. Super tax on high earning persons.**- A super tax shall be levied, assessed and collected at such rate as may be specified in the Income Tax Ordinance, 2001 for high earning persons."

5. **Amendment of section 3B of Act I of 1997.**- In the Act, in section 3B, for the words "specified in the Second Schedule", the words "as may be prescribed" shall be substituted.

6. **Amendment of section 4 of Act I of 1997.**- In the Act, in section 4:

- (a) in sub-section (3):
  - (i) in clause (a), the word "or" appearing second time, shall be omitted; and

- (ii) clause (b) shall be omitted; and
  - (b) in sub-section (4), for the word "two", the word "four" shall be substituted.
7. **Amendment of section 4-A of Act I of 1997.-** In the Act, in section 4-A:
- (a) in clause (a), after the word "labour", the expression ", including labour provided by the adult member of the family," shall be inserted;
  - (b) in clause (f), the word "and" appearing second time, shall be omitted;
  - (c) in clause (g), for the full stop ".", the expression "; and" shall be substituted; and
  - (d) after clause (g), the following shall be inserted:  
 "(h) expenditure incurred on livestock."
8. **Insertion of section 4-AA in Act I of 1997.-** In the Act, after section 4-A, the following shall be inserted:
- "4-AA. Special procedure for certain categories of tax payers.-** Notwithstanding anything contained in this Act or the rules, the Government may, by notification in the official Gazette, prescribe special procedure for scope and payment of tax, filing of return and assessment in respect of such categories of tax payers, in such areas, as may be specified therein."
9. **Amendment of section 8 of Act I of 1997.-** In the Act, in section 8, in sub-section (1), for the words "of rupees twenty-five for each day of default, subject to maximum of rupees one thousand", the following shall be substituted:
- "equal to:
- (a) 0.1% of the tax payable in respect of that tax year for each day of default; or
  - (b) rupees one thousand for each day of default; provided that minimum penalty shall be:
    - (i) ten thousand rupees in case where the agriculture income does not exceed twelve hundred thousand rupees;
    - (ii) twenty thousand rupees in case where the agricultural income exceeds twelve hundred thousand rupees but does not exceed forty million rupees; and
    - (iii) fifty thousand rupees where the agricultural income exceeds forty million rupees."
10. **Amendment of section 10 of Act I of 1997.-** In the Act, in section 10:
- (a) for the title, the following shall be substituted:  
 "Default surcharge for non-payment or late payment of tax";
  - (b) in sub-section (1):
    - (i) for the word "penalty", the words "default surcharge" shall be substituted;
    - (ii) for the word "five", the word "ten" shall be substituted; and

(iii) in the proviso for the word "penalty", the words "default surcharge" shall be substituted; and

(c) in sub-section (2), for the word "penalty", the word "default surcharge" shall be substituted.

**11. Amendment of section 11 of Act I of 1997.**— In the Act, in section 11, the existing provision shall be numbered as "(1)" and thereafter the following shall be added:

"(2) Any amendment made in the rules, to the extent of rates of agricultural income tax, during a financial year, under sub-section (1), shall be laid in Provincial Assembly of the Punjab at the time of presentation of the Annual Budget for the next financial year."

**12. Omission of Schedules to Act I of 1997.**— In the Act, First Schedule and Second Schedule shall be omitted.

**13. Amendment of Act I of 1997.**— In the Act, for the words "assessee" and "an assessee" wherever appearing, the word "taxpayer" and for the words "assessment year" and "income year" wherever appearing, the words "tax year" shall be substituted.

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Ch Amer Habib  
Secretary General